

AMENDED IN SENATE AUGUST 28, 2000

AMENDED IN SENATE JUNE 15, 2000

AMENDED IN ASSEMBLY MAY 25, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 2873

Introduced by Assembly Member Aroner

(~~Coauthors: Assembly Members Cedillo, Gallegos, Hertzberg, Honda, Longville, Romero, Shelley, Steinberg, Villaraigosa, Washington, Wiggins, and Wildman~~)

(Principal coauthor: Senator Solis)

March 6, 2000

An act to amend Sections 11322.6, 11322.61, 11325.23, and 11451.5 of the Welfare and Institutions Code, relating to human services, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately. Section 12306.1 of the Welfare and Institutions Code, relating to human services.

LEGISLATIVE COUNSEL'S DIGEST

AB 2873, as amended, Aroner. ~~Human services: budget trailer~~ IHSS worker wages and benefits.

Existing law provides for the In-Home Supportive Services (IHSS) program, under which, either through employment by the recipient, or by or through contract by the county, qualified aged, blind, and disabled persons receive services enabling them to remain in their own homes. Counties are responsible for the administration of the IHSS program.

Existing law permits services to be provided under the IHSS program either through the employment of individual providers, a contract between the county and an entity for the provision of services, the creation by the county of a public authority, or a contract between the county and a nonprofit consortium.

Existing law provides that the state shall pay 65%, and each county shall pay 35%, of the nonfederal share of wage and benefit increases negotiated by a public authority or nonprofit consortium.

This bill would provide, retroactively to July 1, 2000, in the case of any county that provides in-home supportive services to 50,000 or more recipients, that the state shall pay 80%, and each county shall pay 20%, of the nonfederal share of wage and benefit increases negotiated by a public authority or nonprofit consortium and associated employment taxes, subject to certain limitations.

~~Existing federal law provides for the allocation of federal funds through the federal Temporary Assistance for Needy Families (TANF) block grant program to eligible states.~~

~~Existing law provides for the California Work Opportunities and Responsibility to Kids Program (CalWORKs), administered by each county and the State Department of Social Services, under which aid is provided to qualified low-income families.~~

~~Existing law requires certain participants in the CalWORKs program to participate in specified welfare-to-work activities, including grant-based on-the-job training with a diversion of all or a portion of the grant to the participant's employer.~~

~~This bill would establish specified limitations on the grant-based on-the-job training grant diversion, would specify that the participants shall receive a work allowance of \$50 each month, and would revise requirements for employer participation in the program.~~

~~Existing law requires that certain CalWORKs participants engaged in the educational or vocational training welfare-to-work activities under the program shall participate at least 32 hours per week or participate in concurrent work activities.~~

~~This bill would include both attendance and preparation time for classroom, laboratory, or internship activities within the scope of the 32-hour minimum requirement, not to exceed 6 hours of preparation time per week.~~

~~Existing law provides that certain amounts are exempt from the calculation of income of the family for purposes of determining eligibility for benefits under the CalWORKs program.~~

~~This bill would exclude grant-based on-the-job training wages from the determination of income of the family for those purposes.~~

~~Existing law continuously appropriates funds for the provision of benefits under the CalWORKs program.~~

~~This bill, by expanding eligibility for CalWORKs benefits, would increase the amount of money continuously appropriated for CalWORKs benefits, and would result in an appropriation.~~

~~Because each county is required to pay for a share of the cost of aid grants and administrative costs under the CalWORKs program, the bill would, by expanding CalWORKs eligibility, create a state-mandated local program.~~

~~This bill would declare that it is to take effect immediately as an urgency statute.~~

~~Vote: $\frac{2}{3}$ —majority. Appropriation: yes—no. Fiscal committee: yes. State-mandated local program: yes—no.~~

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. Section 11322.6 of the Welfare and~~
- 2 ~~SECTION 1. Section 12306.1 of the Welfare and~~
- 3 ~~Institutions Code is amended to read:~~
- 4 ~~12306.1. (a) When any increase in provider wages or~~
- 5 ~~benefits is negotiated or agreed to by a public authority~~
- 6 ~~or nonprofit consortium under Section 12301.6, then the~~
- 7 ~~county shall use county-only funds to fund both the~~
- 8 ~~county share and the state share, including employment~~
- 9 ~~taxes, of any increase in the cost of the program, unless~~
- 10 ~~otherwise provided for in the annual Budget Act or~~
- 11 ~~appropriated by statute. No increase in wages or benefits~~
- 12 ~~negotiated or agreed to pursuant to this section shall take~~

1 effect unless and until, prior to its implementation, the
2 department has obtained the approval of the State
3 Department of Health Services for the increase pursuant
4 to a determination that it is consistent with federal law
5 and to ensure federal financial participation for the
6 services under Title XIX of the federal Social Security
7 Act, and unless and until all of the following conditions
8 have been met:

9 (1) Each county has provided the department with
10 documentation of the approval of the county board of
11 supervisors of the proposed public authority of nonprofit
12 consortium rate, including wages and related
13 expenditures. The documentation shall be received by
14 the department before the department and the State
15 Department of Health Services may approve the
16 increase.

17 (2) Each county has met department guidelines and
18 regulatory requirements as a condition of receiving state
19 participation in the rate.

20 (b) Any rate approved pursuant to subdivision (a)
21 shall take effect commencing on the first day of the
22 month subsequent to the month in which final approval
23 is received from the department. The department may
24 grant approval on a conditional basis, subject to the
25 availability of funding.

26 (c) ~~The~~ (1) *Except as provided in paragraph (2), the*
27 *state shall pay 65 percent, and each county shall pay 35*
28 *percent, of the nonfederal share of wage and benefit*
29 *increases negotiated by a public authority or nonprofit*
30 *consortium pursuant to Section 12301.6 and associated*
31 *employment taxes, only in accordance with subdivisions*
32 *(d) to (f), inclusive.*

33 (2) *In any county in which in-home supportive*
34 *services are provided to 50,000 or more recipients, the*
35 *state shall pay 80 percent and the county shall pay 20*
36 *percent of the nonfederal share of wages and benefit*
37 *increases above the minimum wage negotiated by a*
38 *public authority or nonprofit consortium pursuant to*
39 *Section 12301.6 and associated employment taxes, only in*
40 *accordance with subdivisions (d) to (f), inclusive, subject*

1 *to the limitation that state expenditures on wages and*
2 *benefits in that county for a fiscal year shall not exceed the*
3 *amount that would have been expended if the state share*
4 *was 65 percent of the nonfederal share of the maximum*
5 *amount of combined wages and benefit levels specified*
6 *in subdivision (d) for the entire fiscal year. This*
7 *paragraph shall apply retroactively to the period*
8 *commencing July 1, 2000.*

9 (d) (1) The state shall participate as provided in
10 subdivision (c) in wages up to seven dollars and fifty cents
11 (\$7.50) per hour and individual health benefits up to sixty
12 cents (\$0.60) per hour for all public authority or nonprofit
13 consortium providers. This paragraph shall be operative
14 for the 2000–01 fiscal year and each year thereafter unless
15 otherwise provided in paragraphs (2), (3), (4), and (5).

16 (2) The state shall participate as provided in
17 subdivision (c) in a total of wages and individual health
18 benefits up to nine dollars and ten cents (\$9.10) per hour,
19 if wages have reached at least seven dollars and fifty cents
20 (\$7.50) per hour. Counties shall determine, pursuant to
21 the collective bargaining process provided for in
22 subdivision (c) of Section 12301.6, what portion of the
23 nine dollars and ten cents (\$9.10) per hour shall be used
24 to fund wage increases above seven dollars and fifty cents
25 (\$7.50) per hour or individual health benefit increases, or
26 both. This paragraph shall be operative commencing
27 with the next state fiscal year for which the May Revision
28 forecast of General Fund revenue, excluding transfers,
29 exceeds by at least 5 percent, the most current estimate
30 of revenues, excluding transfers, for the year in which
31 paragraph (1) became operative.

32 (3) The state shall participate as provided in
33 subdivision (c) in a total of wages and individual health
34 benefits up to ten dollars and ten cents (\$10.10) per hour,
35 if wages have reached at least seven dollars and fifty cents
36 (\$7.50) per hour. Counties shall determine, pursuant to
37 the collective bargaining process provided for in
38 subdivision (c) of Section 12301.6, what portion of the ten
39 dollars and ten cents (\$10.10) per hour shall be used to
40 fund wage increases above seven dollars and fifty cents

1 (\$7.50) per hour or individual health benefit increases, or
2 both. This paragraph shall be operative commencing
3 with the next state fiscal year for which the May Revision
4 forecast of General Fund revenue, excluding transfers,
5 exceeds by at least 5 percent, the most current estimate
6 of revenue, excluding transfers, for the year in which
7 paragraph (2) became operative.

8 (4) The state shall participate as provided in
9 subdivision (c) in a total of wages and individual health
10 benefits up to eleven dollars and ten cents (\$11.10) per
11 hour, if wages have reached at least seven dollars and fifty
12 cents (\$7.50) per hour. Counties shall determine,
13 pursuant to the collective bargaining process provided
14 for in subdivision (c) of Section 12301.6, what portion of
15 the eleven dollars and ten cents (\$11.10) per hour shall be
16 used to fund wage increases or individual health benefits,
17 or both. This paragraph shall be operative commencing
18 with the next state fiscal year for which the May Revision
19 forecast of General Fund revenue, excluding transfers,
20 exceeds by at least 5 percent, the most current estimate
21 of revenues, excluding transfers, for the year in which
22 paragraph (3) became operative.

23 (5) The state shall participate as provided in
24 subdivision (c) in a total cost of wages and individual
25 health benefits up to twelve dollars and ten cents (\$12.10)
26 per hour, if wages have reached at least seven dollars and
27 fifty cents (\$7.50) per hour. Counties shall determine,
28 pursuant to the collective bargaining process provided
29 for in subdivision (c) of Section 12301.6, what portion of
30 the twelve dollars and ten cents (\$12.10) per hour shall be
31 used to fund wage increases above seven dollars and fifty
32 cents (\$7.50) per hour or individual health benefit
33 increases, or both. This paragraph shall be operative
34 commencing with the next state fiscal year for which the
35 May Revision forecast of General Fund revenue,
36 excluding transfers, exceeds by at least 5 percent, the
37 most current estimate of revenues, excluding transfers,
38 for the year in which paragraph (4) became operative.

39 (e) (1) On or before May 14 immediately prior to the
40 fiscal year for which state participation is provided under

1 paragraphs (2) to (5), inclusive, of subdivision (d), the
2 Director of Finance shall certify to the Governor, the
3 appropriate committees of the Legislature, and the
4 department that the condition for each subdivision to
5 become operative has been met.

6 (2) For purposes of certifications under paragraph
7 (1), the General Fund revenue forecast, excluding
8 transfers, that is used for the relevant fiscal year shall be
9 calculated in a manner that is consistent with the
10 definition of General Fund revenues, excluding transfers,
11 that was used by the Department of Finance in the
12 2000–01 Governor’s Budget revenue forecast as reflected
13 on Schedule 8 of the Governor’s Budget.

14 (f) Any increase in state participation in wage and
15 benefit increases under paragraphs (2) to (5), inclusive,
16 of subdivision (d), shall be limited to an increase of one
17 dollar (\$1) per hour with respect to any fiscal year.

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20 **All matter omitted in this version of the**
21 **bill appears in the bill as amended in the**
22 **Senate, June 15, 2000 (JR 11)**
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